

VELJAN DENISON LIMITED
Regd. Office: PLOT NO. 44, 4TH FLOOR HCL TOWERS
BEGUMPET, HYDERABAD-500016.

MINUTES OF THE THIRTY NINE ANNUAL GENERAL MEETING OF SHAREHOLDERS HELD ON SEPTEMBER 30TH, 2013, AT THE PLOT NO. A18 & 19, APIE, BALANAGAR, HYDERABAD, A.P.500037 AT 11.00 A.M.

Directors and Members Present:

a) The following Directors were present at the meeting:

1. Shri V.C.JANARDAN RAO
2. Shri G.K. KABRA
3. Shri V. PATTABHI
4. Shri M.L. MOTWANI

In Attendance:

Shri Dilip – from Ravi & Subramanyam, Company Secretaries
Shri Dheeraj Kumar – Finance Manager
Mrs. K.Girija Bala – Company Secretary

b) The members in person as signed in the Attendance Register and by Proxy as signed in the Proxy Register were present at the meeting.

CHAIRMAN OF THE MEETING:

In pursuance of the provisions of Article 71 of the Company's Articles of Association, Shri V.C.JANARDAN RAO, Chairman of the Board, has occupied the Chair. The Chairman informed the members that the required quorum for Annual General Meeting is 5 members and as more than the required quorum is present, the meeting can proceed.

REGISTER OF DIRECTORS' SHAREHOLDING:

The Chairman informed the members present that the Register of Directors' Shareholding maintained u/s 307 of the Companies Act, 1956, was available at the meeting for inspection.

NOTICE OF MEETING:

With the consent of the members present, the notice convening the meeting, having been circulated in advance to the members, was taken as read.

DIRECTORS' REPORT:

With the consent of the members present, the Directors' Report, having been circulated in advance to the members, was taken as read.



AUDITORS' REPORT:

The Auditors' Report was read out during the meeting by Company's Company Secretary Mrs.K .Girija Bala.

CHAIRMAN'S SPEECH

The Chairman in his speech welcomed the members and briefed them on the Company's working during the financial year 2012-13 and on the expected performance during the financial year 2013-14.

1. **ADOPTION OF BALANCE SHEET AS AT MARCH 31, 2013, PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE AND REPORT OF THE BOARD OF DIRECTORS AND AUDITORS THEREON:**

The Chairman invited comments and queries from the members present at the meeting on the above subjected item. It was noted that several members had addressed their queries concerning future prospects of the Company to the Chairman. The Chairman Shri V.C. Janardan Rao and the Director Shri G.K.Kabra answered these queries. The Chairman then moved the following resolution:

"RESOLVED that the Balance Sheet as at March 31, 2013 and the Profit & Loss Account for the year ended on that date and the report of the Board of Directors and Auditors thereon, be and are hereby approved and adopted."

The resolution was proposed by Sri Raja and Seconded by Sri Ravi Kumar, shareholders of the Company.

On being put to vote by show of hands, the above resolution was passed unanimously.

2. **Declaration of Dividend:**

The Chairman informed the members that the Board of Directors has recommended a dividend @ 75% on the paid up capital of the Company subject to members' approval, and moved the following resolution.

"RESOLVED that a dividend @ 75% on 2250000 Equity shares of Rs. 10/- each as recommended by the Board of Directors in their report be and is hereby declared for the year ended 31st March, 2013 and that it be paid to those members whose names appear in the Register of Members of the Company as on September 26th 2013."

The resolution was proposed by Shri P.V.P.Sarma and Seconded by Sri J.N.Daamodhar, share holders of the Company.

On being put to vote by show of hands, the above resolution was passed unanimously.



3. **Reappointment of Shri. M.L.MOTWANI as a Director:**

The Chairman informed the members that Shri. **M.L.MOTWANI** , who retires by rotation as Director, being eligible, offers himself for reappointment and moved the following resolution:

"RESOLVED that Shri. **M.L.MOTWANI**, who retires by rotation, being eligible for reappointment, be and is hereby reappointed as a Director of the Company."

The resolution was proposed by Smt. U.Uma Devi and seconded by Shri Raja, shareholders of the Company.

On being put to vote by show of hands, the above resolution was passed unanimously.

4. **Reappointment of Auditors:**

The Chairman informed the members that M/s Brahmayya & Co, the existing Auditors of the Company, retire at this Annual General Meeting and being eligible, offer themselves for reappointment, and moved the following resolution:

"RESOLVED that pursuant to provisions of Section 224 of the Companies Act, 1956, M/s Brahmayya & Co, Chartered Accountants, be and are hereby reappointed as Auditors of the Company to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting of the Company, and the Board of Directors of the Company be and are hereby authorised to fix their remuneration."

The resolution was proposed by Shri Ravi Kumar and seconded by Shri P.V.P.Sarma, shareholders of the Company.

On being put to vote by show of hands, the above resolution was passed unanimously.



Special Business

5. To consider and if thought fit, to pass with or without modification the following resolution as Ordinary Resolution:

"RESOLVED that Shri B.S.Srinivasan who was appointed as additional Director of the Company and who holds office as such upto the date of ensuing Annual General Meeting and in respect of whom notices under section 257 of the Companies Act, 1956, has been received from a member signifying his intention to propose Shri B.S.Srinivasan, as a candidate for the office of Director of the company, be and is hereby appointed as director of the company liable to retire by rotation."

The resolution was proposed by Shri Raja and seconded by Shri J.N.Daamodhar, shareholders of the Company.

On being put to vote by show of hands, the above resolution was passed unanimously.

6. To consider and if thought fit, to pass with or without modification the following resolution as Special resolution:

"RESOLVED THAT pursuant to provisions of Section 293(1)(e) of the Companies Act, 1956 and subject to the Articles of Association consent of the members be and are hereby accorded to Board of Directors to contribute at its discretion from time to time during the financial year by way of donations or charities, not directly related to the business of the Company or welfare of its employees, which in aggregate may exceed Rs.50,000 or 5% of the Company's average net profit during the three immediately preceding financial years, subject to a maximum limit of Rs.3,00,00,000/- (Rupees Three Crores Only)".

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board or the constituted committee be and is hereby authorised to finalize and to execute such Documents, Agreements, Deeds and papers as it may in its absolute discretion deem expedient with regard to the aforesaid resolutions."

The resolution was proposed by Shri Raja and seconded by Shri Ravi Kumar, shareholders of the Company.

On being put to vote by show of hands, the above resolution was passed unanimously.



7. To consider and if thought fit, to pass with or without modification the following resolution as Special Resolution:

"RESOLVED THAT pursuant to Sections 198, 269, 309 and 311 and other applicable provisions, if any, of the Companies Act, 1956 read with Schedule XIII of the Companies Act, 1956, including any statutory modification(s) or enactment(s) thereof, for the time being in force, Shri Srinivas VG be and is hereby re-appointed as the Managing Director of the Company with effect from 1.03.2013 for a period of 3 (Three) years on remuneration and perquisites as provided below payable for a period of 3 years subject to ceiling limits of the Companies Act, 1956:

1. Basic Salary: Rs.1,45,420/- per month.

2. Commission: The commission will be in addition to the salary, perquisites and allowances. The amount of commission shall not exceed 2% of the profits of the Company in a year and shall be subject to the overall ceilings laid down in Sections 198 and 309 of the Companies Act, 1956

In addition to the salary and commission as stated above, Shri Srinivas VG shall be entitled to the following perquisites and allowances, subject to the overall remuneration in a financial year not exceeding the maximum limits prescribed from time to time under Section 198, 309 and other applicable provisions of the Companies Act, 1956 read with Schedule XIII of the Said Act.

Category A:

- a. House Rent
- b. Medical Reimbursement
- c. Leave travel concession: Actual expenditure incurred for self and family once in a year
- d. Club fee: Fees of clubs subject to a maximum of two clubs, admission and life membership fees not being allowed
- e. Insurance: Personal Accident Insurance, Medical Insurance and such other Insurance subject to the overall limits

The above mentioned perquisites and allowances shall be paid on par with those for the Senior Managerial Personnel.

Category B:

- i. Contribution towards provident fund and superannuation fund/Pension fund to the extent either of these singly or put together are not taxable under the Income Tax Act, 1961
- ii. Gratuity payable in accordance with the rules of the Company will not be included in the computation of ceiling of remuneration
- iii. Provision of car for use on Company's business and telephone (mobiles) at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to Managing Director
- iv. Earned/Privileged leave on full pay and allowance as per rules of the Company. Leave accumulated but not availed of during his tenure may be allowed to be encashed as per the rules of the Company



Overall remuneration:

The aggregate of Salary, Commission, Perquisites and allowance in any financial year shall not exceed the limits prescribed from time to time under Section 198, 309 and other applicable provisions of the Companies Act, 1956 read with Schedule XIII to the said Act, for the time being in force

Minimum Remuneration:

Where in any financial year, during the tenure of Shri Srinivas VG, the Company has no profits or its profits are inadequate, the Company shall pay to Shri Srinivas VG, remuneration by way of Salary and perquisites not exceeding the limits specified in Schedule XIII of the Companies Act, 1956 including any statutory modifications thereof for the time being in force

"RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to take all necessary steps as may be necessary to give effect to the above resolution."

The resolution was proposed by Shri J.N.Daamodhar and seconded by Shri Raja, shareholders of the Company.

On being put to vote by show of hands, the above resolution was passed unanimously.

Vote of Thanks:

There being no other business to be transacted, the meeting terminated with a vote of thanks to the Chair.

Chairman of the Meeting



S.M.V.C. JANARDAN RAO.

Place

: Hyderabad.

Date

: 30/09/2013.